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FCC Office of the Secretary

VIA HAND DELIVERY

Ms. Marlene H. Dortch Secretary Federal Communications Commission The Portals II 445 – 12th Street, S.W. Room TW-A325 Washington, D.C. 20554

In re: Reply to Georgetown Law Opposition to Exemption Request from the Commission's Closed Captioning Rules, Case No. CGB-CC-0269; CG Docket No. 06-181

Dear Ms. Dortch

Los Angeles Unified School District ("LAUSD"), licensee of noncommercial station KLCS, Los Angeles, California hereby responds to the Opposition filed by Georgetown Law ("Georgetown") on behalf of numerous Consumer Groups.

The decision for requesting exemptions was made as the result of "severe budgetary limitations" (Petition for Exemption (hereinafter "Petition"), p. 3). Documentation underlying the "undue burden" exemption request was set forth in the 2012 Petition. Comments opposing the KLCS Petition were filed by Georgetown on behalf of several consumer groups.

The Commission's September 27, 2013 letter requested "supplemental information" as is described on pages 1 through 4. The KLCS response provided "supplemental information" to each and every inquiry. Georgetown again filed Comments opposing/attacking the updated KLCS response.

The KLCS Petition and the KLCS "supplemental information" were supported by documentation relevant to "undue burden." Georgetown disagrees that the "undue burden" test is met and opines otherwise. Neither Georgetown's disagreement nor

No. of Copies rec'd 1+2 List ABCDE Georgetown's opining refutes the documentation. By contrast to the KLCS documentation, Georgetown relies on self-serving opinion. Pragmatically, Georgetown's approach may be relevant to a commercial station (wherein profit and stockholder satisfaction are mandated), but is not relevant to a noncommercial station bound by limits imposed by State law. What is significant (though ignored by Georgetown) is that KLCS continues to provide closed captioning (other than the programs for which exemption is requested) to the extent that money is available. Denial of the exemptions could result in the loss of programs to the entire Los Angeles DMA.

The unsupported allegations, opinions and mistakes of law relied upon by Georgetown are herein refuted as follows:

- (A) With respect to Georgetown's reference to Anglers For Christ Ministries, Inc., 26 FCC Rcd at 14955-56, Para. 28 (Georgetown Comments, p. 5), review of the citation will reflect that (1) the Georgetown Comments substantially differ from the aforesaid paragraph 28 citation and (2) the documentation provided in the KLCS Petition and the KLCS response to the Commission's 2013 letter satisfy the "undue burden" standard set forth in Angler's, Para. 28² and as defined in 47 U.S.C. Section 713(e);
- (B) Georgetown's reference to the LAUSD budget (Comments, pp. 5-6) (1) ignores the facts set forth in the Petition (pp. 3-4) that reflect shortfalls in ALL of the five basic LAUSD Divisions (broken into 34 subdivisions) and (2) that KLCS (one of the 34 subdivisions) is primarily limited to the funding allocated by LAUSD;
- (C) Georgetown's statement (p. 6) that "Captioning should be treated like any other expense of running a broadcast station or school district" is merely an opinion, wholly unrelated to a noncommercial station. Within the availability of funds, KLCS has and will continue to provide closed captioning;
- (D) Georgetown implies that LAUSD has "formed a nonprofit exclusively dedicated to raising funds for KLCS (p. 7). As is specifically stated in the KLCS response to the Commission's September, 2013 letter, "Station KLCS has created a nonprofit organization. The need and the reason for the non-profit organization are the 'cuts," the shortfall applicable to ALL division/subdivisions of LAUSD. As previously noted, every division/subdivision has suffered (Petition, pp. 3-4).

KLCS has provided documentation in support of the "undue burden" test. Georgetown provides no documentation, ONLY unsupported self-serving opinions of no consequence

The Georgetown statement that "LAUSD has not captioned its programming since submitting its first waiver request" is incorrect. The ONLY programs not closed captioned are the programs identified in the response to the Commission's request for "supplemental information." All other programs are closed captioned.

To support a request for closed captioning, based on "undue burden," paragraph 28 requires the following: "(1) the nature and cost of the closed captions for the programming; (2) the impact on the operation of the provider... (3) the financial resources of the provider... and (4) the type of operation of the provider...."

Ms. Marlene H. Dortch April 1, 2014 Page 3

to a noncommercial station operating pursuant to either state or local law. LAUSD, the basic five divisions, the 34 subdivisions, ALL have suffered ongoing yearly reductions/shortfalls. As of the instant date, there are no additional funds available for 100% closed captioning.

The fiscal year for LAUSD and its five basic divisions extends from July 1 to June 30. Station KLCS operates on channel 41 and on three multicast channels. As of the current date (approximately three months prior to June 30, 2014), KLCS has received total revenue of \$3,780,688 for all channels. No channel will produce or receive \$3,000,000 as of the fiscal year ending on June 30, 2014 (see Appendix A). Consequently, should the Commission deem that a decision based on "undue burden" is no longer necessary, KLCS will continue closed captioning to the extent that it has funds and consistent with Section 79.1(d)(12) of the Commission rules, as amended.

Yours very truly

Robert B. Jacobi

RBJ:btc

Enclosures

For the fiscal year ending June 20, 2013, KLCS received a <u>total</u> of approximately \$2,600,000.

APPENDIX A

As of the current date, KLCS produced less than three million dollars in annual gross revenues in each of the channels it operates. KLCS total revenue from all sources for the year ending June 30, 2014 is \$3,670,791 as of the current date. KLCS does not anticipate receipt of significant additional revenue before the end of the fiscal year. The attached table from the Los Angeles Unified School District's SAP financial reporting system shows a current total budget for KLCS of \$3,780,688 (consisting of the \$3,670,791 in current year revenue and \$109,897 in carryover revenue from previous years). \$2,750,477 (75%) of the current year revenues is committed to positions.

Charlie Chi Financial Analyst, KLCS March 27, 2014

Statement Under Penalty of Perjury

My name is Sabrina Thomas, and I am General Manager of Station KLCS, Los Angeles, California, which is licensed to the Los Angeles Unified School District. I have held my current position of General Manager since July 2011.

I have directed our communications counsel to prepare the forgoing Reply to Georgetown

Law Opposition to Exemption Request as regards to Station KLCS' compliance with the

Commission's closed captioning rules, effective January 1, 2006.

Following this Statement is Appendix A. Appendix A consists of a discussion of KLCS-TV's revenues and a printout of the Los Angeles Unified School District's SAP financial reporting system showing KLCS' budget This Appendix was prepared by Station KLCS' Financial Analyst, Charlie Chi.

At my request, Thomas Taitt, KLCS Broadcast Compliance Specialist, and others on the staff of Station KLCS have assisted and have worked directly with our communications counsel in the preparation of the information in the Reply to Georgetown Law Opposition to Exemption Request. I have read the Reply to Georgetown Law Opposition to Exemption and information provided therein is true and correct to the best of my knowledge, information and belief.

Executed under penalty of perjury this 28th day of March, 2014.

Sabrina Thomas

Statement Under Penalty of Perjury

My name is Thomas Taitt, I am employed as a Broadcast Compliance Specialist for

Station KLCS, Los Angeles, California which is licensed to and operated by the Los Angeles

Unified School District ("LAUSD"). I have served in this capacity since March 26, 2012. As

Station KLCS' Broadcast Compliance Specialist, I am responsible for the timely filing and

reporting of various matters to the Federal Communications Commission, (FCC), Public File,

Member Services and LAUSD District Rule Compliance.

As directed by Sabrina Thomas, General Manager of Station KLCS, I prepared and reviewed this

Reply to Georgetown Law Opposition to Exemption Petition.

As KLCS' Broadcast Compliance Specialist, I and others on the staff have assisted and worked

directly in compiling this information. I have reviewed the response and the statements in them

are true and correct to the best of my knowledge, information and belief.

Executed under penalty of perjury this 24th day of March, 2014.

Thomas J. Taitt

Statement Under Penalty of Perjury

My name is Charlie Chi, and I am the Financial Analyst of Station KLCS, Los Angeles, California, which is licensed and operated by the Los Angeles Unified School District ("LAUSD"). I have served in this capacity since October 8, 2001.

As Station KLCS' Financial Analyst, I am responsible for the day to day management of the budget of Station KLCS, monitoring and reporting on the Station's financial position and conformance to policies and procedures, and working with the LAUSD in the development of Station KLCS' annual budget.

I received my B.S. degree in Business Administration, with an emphasis in International Finance from the University of Southern California in May 1992. Prior to taking my current position as Financial Analyst at Station KLCS, I worked in the private sector, mainly in business development and investments, and as an economic officer for the United States Department of State.

As directed by Sabrina Thomas, General Manager of Station KLCS, I prepared the financial information in Appendix A, of the LAUSD Reply to Georgetown Law Opposition to Exemption Petition; which is a discussion of KLCS-TV's revenues and a printout of the Los Angeles Unified School District's SAP financial reporting system showing KLCS' budget.

I have read the Reply to Georgetown Law Opposition to Exemption and the documentation and information provided therein is true and correct to the best of my knowledge, information and belief.

Executed under penalty of perjury this 28th day of March 2014.

Charlie Chi

CERTIFICATE OF SERVICE

I, Brenda Chapman, hereby certify that on this 1st day of April, 2014, a copy of the foregoing letter addressed to the Secretary of the Federal Communications Commission Re: "Reply to Georgetown Law Opposition to Exemption Request from the Commission's Closed Captioning Rules, Case No. CGB-CC-0269; CG Docket No. 06-181" was delivered via first class, U.S. mail, postage prepaid to the following:

Aaron Mackey Institute for Public Representation Georgetown Law 600 New Jersey Avenue., N.W. Suite 312 Washington, D.C. 20001 Counsel for Georgetown Law

Claude Stout Executive Director Telecommunications for the Deaf and Hard of Hearing, Inc. 8630 Fenton Street Suite 121 Silver Spring, Maryland 20910

Drenda Chapnan
Brenda Chapman

April 1, 2014

DOCKET NO.

06-181

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